

*Chicopee Municipal Lighting Board
Minutes of Meeting
Wednesday, January 20, 2010*

Commissioner Gazda called a regular meeting of the Chicopee Municipal Lighting Board to order at 5:15 p.m., Wednesday, January 20, 2010.

Present for this meeting were Commissioner Chester T. Gazda, Commissioner Carl E. Sittard and General Manager and Clerk of the Board Jeffrey R. Cady. Chairman Thomas P. Collins asked to be excused.

Commissioner Sittard made a motion to accept the minutes of December 17, 2009 as presented. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion to concur with the payments of Warrant #E010110 dated 12/28/2009 for the amount of \$1,075,472.85; Warrant #E010810 dated 12/29/2009 for the amount of \$178,233.05; Warrant #E010810 dated 1/4/2010 for the amount of \$840.40; Warrant #E011510 dated 1/6/2010 for the amount of \$263,837.68; Warrant #E011510 dated 1/11/2010 for the amount of \$2,818,237.51; and Warrant #E012210 dated 1/15/2010 for the amount of \$941,413.18. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion, to pay *Bills & Customer Refunds* in the amount of \$374,666.14. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion, to *Write-off Uncollectibles* in the amount of \$36,856.56. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion to appoint Jeffrey R. Cady as the Clerk of the Municipal Light Board for 2010. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Gazda made a motion that Commissioner Sittard become Chairman of the Municipal Light Board as of January 21, 2010. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion to vote:

that any person made a party to any action, suit or proceeding by reason of the fact that he or she is or was a commissioner, officer or attorney of the City of Chicopee Municipal Lighting Plant ("CMLP"); or because he or she served at the request of CMLP on a committee or task force of any public corporation or organization, shall be indemnified by CMLP against all damages and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with said action, suit or proceeding including any appeal therefrom. It is the intent of this vote to indemnify such commissioners, officers or attorneys to the fullest extent permitted by Chapter 258 of the Massachusetts General Laws. No one shall be indemnified

under this vote for violation of any civil rights if he or she acted intentionally. The term "expenses" includes amounts paid in satisfaction of judgments or in settlement of any action, suit or proceeding other than amounts paid to CMLP itself. Such right of indemnification shall not be deemed exclusive of any other rights to which such commissioner, officer or attorney may be entitled apart from this vote. The indemnification provided for in this vote shall commence after all insurance proceeds or other indemnification proceeds have first been applied to a settlement or judgment awarded for a claim for which indemnification is provided under this vote. Any amount payable by way of indemnity hereunder shall be calculated and paid pursuant to a determination of the CMLP Manager. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion, it was voted to give CEL employees ½ day on Good Friday for 2010. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion to review the Cadet Engineer Scholarship Program for 2010 to see what options are available before proceeding. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

The General Manager provided the Commissioners with copies of the November Financials and updated year end projections. The financials were reviewed and discussed. Projections and actuals were in line with previous estimates.

The General Manager provided the Commissioners with an average cost per kwh for average customers based on rate class. Commissioner Gazda asked why the small general service rate was higher than the residential rate. The General Manager explained that the difference is due to the hydro credit that only goes to residential customers. The General Manager and Commissioners discussed ways to encourage new commercial customers to Chicopee.

The General Manager discussed the new Commonwealth Solar Program with the Commissioners. He stated that there may be some opportunities for CEL and its customers under the new program, but that it was still being reviewed.

The General Manager discussed the large outage that occurred on January 12th. He explained that the outage was due to problems on Northeast Utilities transmission system and that failure of their equipment resulted in the substation not being able to automatically swap over to an alternative feed. It appears that it may have been due to some of the relay work that NU was performing.

The General Manager provided the Commissioners with correspondence from the City Treasurer regarding investments made on CEL's behalf. The General Manager stated that he had some questions on the information and would follow up with the treasurer. The Treasurer would

like to set up a future meeting with the investment advisor and the Commissioners to discuss the investment philosophy.

The General Manager informed the Commissioners that he would be working with the City to put together some options for downtown city lighting as part of the Federal Stimulus Funds that the city received.

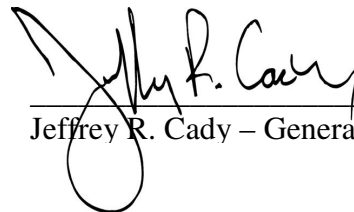
The General Manager presented the Commissioners with information regarding MMWEC's reserve trust. Commissioner Sittard made a motion that the Chicopee Municipal Light Department (CMLD) agrees to an arrangement with the Massachusetts Municipal Wholesale Electric Company (MMWEC) whereby MMWEC holds sums deemed prudent by CMLD in trust for the benefit of CMLD under the Municipal Light Departments of Massachusetts Reserve Trust;

and that the General Manager is hereby authorized to execute and deliver, in substantially the form as presented at this meeting, an Amendment to NEPEX Account Agreement with MMWEC, a copy of which Agreement is filed with the Permanent records of the meeting;

and that the General Manager is hereby authorized and directed to take such other action as he/she deems necessary or advisable to carry out the purposes of this vote.

Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion to adjourn at 6:40 pm. Commissioner Gazda seconded the motion. Discussion: None; Motion was passed 2 to 0.



Jeffrey R. Cady – General Manager

Approved: February 9, 2010